GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2499
ANSWERED ON:18.03.2005
DISTRICT CENTRAL COOPERATIVE BANKS
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Will the Minister of FINANCE be pleased to state:

(a) the number of District Central Cooperative Banks in the country of which the number of banks are eligible to draw money from NABARD and lend it to farmers,State-wise;

(b) the number of such banks fraud, mis utilization, misappropriation of funds are reported; and

(c) the action of the Government and the NABARD have taken on such erring Cooperative Banks?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM):

(a) As at the end of 31st December, 2004, there were 366 District Central Co-operative Banks (DCCBs) in the country of which 254 DCCBs are eligible to draw money from NABARD and lend it to the farmers. State-wise eligible DCCBs are:

JAndhra Pradesh-14, Bihar-6, Jharkhand-3, Chhattisgarh-4, Gujarat-14, Haryana-19, Karnataka-19, Kerala-14, Madhya Pradesh-11, Maharashtra-24, Orissa-14, Punjab-18, Rajasthan-24, Tamil Nadu-11, Uttar Pradesh-31, West Bengal-17, Himachal Pradesh-2, Jammu & Kashmir-1 and Uttaranchal-8.

(b) 275, 284 and 292 cases of fraud, misutilisation, misappropriation of funds etc. in DCCBs were reported during the year ending 31st March, 2002, 2003 and 2004 respectively.

(c) A revised manual on internal checks and branch control, the format of annual branch inspection report and guidelines or examination on various areas during internal inspection of branches have been issued by NABARD to all co-operative banks. Reserve Bank of India has cancelled licenses of several co-operative banks and various directions have been issued. Besides, RBI has taken various steps to bring improvement in the working of co-operative banks such as separate cell to monitor fraud, prescribing system of classification and reporting of fraud etc.